No. 03-859

Supreme Court, U.S.
FILED
JAN 12 2004
OFFICE OF THE CLERK

In The
Supreme Court of the United States

ABN AMRO Mortgage Group, Inc.,
a Delaware corporation,

Petitioner,

v.

GREGORY & MARGARET WEIZEORICK,
Individually, and on behalf of all others similarly situated,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Seventh Circuit

RESPONDENTS' BRIEF IN OPPOSITION

DAVID J. PHILIPPS
Counsel of Record
MARY E. PHILIPPS
GOMOLINSKI & PHILIPPS, LTD.
8855 South Roberts Road
Hickory Hills, Illinois 60457
(708) 974-2900

JAMES SHEDDEN
MICHAEL S. HILICKI
BEELER, SCHAD & DIAMOND, P.C.
332 South Michigan Avenue
Suite 1000
Chicago, Illinois 60604-4398
(312) 939-6280

Counsel for Respondents

COCKLE LAW BRIEF PRINTING CO. (800) 225-6964
OR CALL COLLECT (402) 342-2831

COUNTER-STATEMENT OF QUESTION PRESENTED

Whether the Court of Appeals correctly found that the complaint in this case, which pleads that the defendant violated § 2607(b) of the Real Estate Settlement Procedures Act, 12 U.S.C. § 2607(b), states a claim under the notice pleading requirements of the Federal Rules of Civil Procedure.

TABLE OF CONTENTS

Page

COUNTER-STATEMENT OF QUESTION PRESENTED i

TABLE OF CONTENTS ii

TABLE OF AUTHORITIES iii

STATEMENT OF THE CASE 1

REASONS FOR DENYING THE PETITION 3

A. This Case Does Not Meet Any of the Criteria for Review Under Supreme Court Rule 10 3

B. There Is No Basis for Review Even if Knowledge Is an Element of a Claim Under § 2607(b) of RESPA 5

C. The Seventh Circuit's Decision Did Not Expand Liability Under § 2607(b) of RESPA or Conflict with Its Earlier Decisions 7

CONCLUSION 8

APPENDIX ..... App. 1

TABLE OF AUTHORITIES

Page

CASES

Barbosa v. Target Mortgage Corp., 968 F.Supp. 1548 (S.D. Fla. 1997) 8

Campbell v. Machias Sav. Bank, 865 F.Supp. 26 (D. Me. 1994) 8

Christakos v. Intercounty Title Co., 196 F.R.D. 496 (N.D. Ill. 2000) 1, 2, 3, 8

Conley v. Gibson, 355 U.S. 41 (1957) 5

Duggan v. Independent Mortgage Corp., 670 F.Supp. 652 (E.D. Va. 1987) 8

Durr v. Intercounty Title Co., 14 F.3d 1183 (7th Cir. 1994) 8

Echevarria v. Chicago Title & Trust Co., 256 F.3d 623 (7th Cir. 2001) 2, 8

Leatherman v. Tarrant County Narcotics Intelligence & Coordination Unit, 507 U.S. 163 (1993) 5

Swierkiewicz v. Sorema N.A., 534 U.S. 506 (2002) 5

United States v. Gannon, 684 F.2d 433 (7th Cir. 1981) 8

STATUTES AND OTHER AUTHORITIES

Real Estate Settlement Procedures Act, 12 U.S.C. § 2601, *et seq.* 1

12 U.S.C. § 2607 ..... *passim*

Regulation X, 24 C.F.R. § 3500.14 ..... 2, 7

Fed. R. Civ. P. 12 ..... 1, 4, 5, 6, 7

STATEMENT OF THE CASE

The Petitioner, ABN AMRO Mortgage Group, Inc., seeks this Court's review based on a non-issue. ABN claims that the Seventh Circuit's decision – which reversed the district court's holding that the Respondents' complaint failed to state a claim under Fed. R. Civ. P. 12(b)(6) – was error because in the course of its opinion the Seventh Circuit stated that knowledge is not an element of a claim under § 2607(b) of the Real Estate Settlement Procedures Act, 12 U.S.C. § 2601, *et seq*. This is a non-issue because, at the pleading stage, a plaintiff is not required to plead every element of the cause of action in order to state a claim. It is also a non-issue because ABN concedes in the Petition that knowledge is not an element of a claim under § 2607(b) of RESPA. ABN's claim that the Seventh Circuit's statement was inconsistent with the plain language of § 2607(b) of RESPA and its earlier decisions is also false. ABN cites not one case – let alone a case from this Court, the Seventh Circuit or any other Court of Appeals, or a state court of last resort, that has taken a contrary view.

Section 2607(b) of RESPA prohibits settlement service providers from paying or receiving an unearned portion of a fee collected for settlement services. *See* 12 U.S.C. § 2607(b). *Christakos v. Intercounty Title Co.* held that the plain language of this provision applied to a situation in which the unearned portion of the total fee charged for a settlement service was, in form, listed as a separate charge on the settlement statement generated in connection with the real estate closing. *See Christakos*, 196 F.R.D. 496, 503 (N.D. Ill. 2000). The *Christakos* decision is supported by the companion regulation to § 2607(b), which provides that the charging of a duplicative unearned fee

for a settlement service violates § 2607(b) of the RESPA. *See* 24 C.F.R. § 3500.14(c) ("[a] charge by a person for which no or nominal services are performed or for which *duplicative fees are charged* is an unearned fee and violates this section.") (emphasis added).

The Seventh Circuit approved the reasoning of *Christakos* in *Echevarria v. Chicago Title & Trust Co.*, stating that "[the plaintiffs in *Christakos*] successfully marshaled evidence showing a 'split.'" *See Echevarria*, 256 F.3d 623, 626-27 (7th Cir. 2001). ABN never claimed that *Christakos* was incorrectly decided.

The Weizeoricks' complaint presents a fact pattern materially identical to *Christakos*. They allege that in connection with the closing on the sale of their home, ABN collected $10 from the Weizeoricks to record the release of ABN's mortgage lien at the same time that the title company collected $25.60 from them to record the release, that the title company actually performed the recording service, that ABN did not, and that as a result the $10 portion ABN received of the $35.60 in recording charges the Weizeoricks' paid was unearned. *See* Cmplt. below at App. 1-3.

Despite this, the district court found that the Weizeoricks' complaint failed to state a claim. However, the district court's opinion did not discuss *Christakos* or its reasoning. The Weizeoricks appealed and the Seventh Circuit – reaffirming that *Christakos* accurately states the law – concluded that the Weizeoricks had stated a claim under § 2607(b) of RESPA. ABN asked for an *en banc* review of the decision based on the same arguments it makes here, but no judge requested a vote on the matter. *See* Petition at p. 2a.

ABN's Petition is not based on the substance of the Seventh Circuit's decision. Again, ABN does not take issue with the reasoning of *Christakos* or the Seventh Circuit's approval of that decision. Instead, ABN has seized on the Seventh Circuit's statement that knowledge is not an element of a claim under § 2607(b) of RESPA. However, as noted above, this is a non-issue because the Weizeoricks are not required – at the pleading stage – to allege that ABN knowingly collected an unearned split of a fee for settlement services, ABN concedes on page 10 of the Petition that knowledge is not an element of a claim under § 2607(b) of RESPA, and the Seventh Circuit's remark is consistent with the plain language of the statute and its earlier decisions, notwithstanding ABN's claims to the contrary. ABN cites to no split in authority on this issue among the decisions of this Court, the Courts of Appeals, and the state courts of last resort, nor does ABN point to any other reason why this case, which, again, is at the pleading stage, merits review by this Court. The Petition should be denied.

REASONS FOR DENYING THE PETITION

A. This Case Does Not Meet Any of the Criteria for Review Under Supreme Court Rule 10.

Supreme Court Rule 10 states that this Court only grants review "for compelling reasons", which generally means that the case in question meets one of the following criteria:

> (a) a United States court of appeals has entered a decision in conflict with the decision of another United States court of appeals on the

> same important matter; has decided an important federal question in a way that conflicts with a decision by a state court of last resort; or has so far departed from the accepted and usual course of judicial proceedings, or sanctioned such a departure by a lower court, as to call for an exercise of this Court's supervisory power;
>
> (b) a state court of last resort has decided an important federal question in a way that conflicts with the decision of another state court of last resort or of a United States court of appeals;
>
> (c) a state court or a United States court of appeals has decided an important question of federal law that has not been, but should be, settled by this Court, or has decided an important federal question in a way that conflicts with relevant decisions of this Court.

Sup. Ct. R. 10. ABN offers nothing to show that the Seventh Circuit's conclusion that the Weizeoricks' complaint states a claim under Fed. R. Civ. P. 12(b)(6) meets any of these criteria. They point to no conflict between the Courts of Appeals, the state courts of last resort or a state court of last resort and this Court, or any extraordinary deviation from the usual course of judicial proceedings. Indeed, the Petition cites no decision of this Court, no decision of a state court of last resort, and no Court of Appeals' decision outside of the Seventh Circuit. ABN only offers its *ipse dixit* that this case merits this Court's review.

B. There Is No Basis for Review Even if Knowledge Is an Element of a Claim Under § 2607(b) of RESPA.

ABN's petition is based on its belief that the Seventh Circuit erred in stating that knowledge is not an element of a claim under § 2607(b) of RESPA. The posture of this case is that the Seventh Circuit has reversed the district court's dismissal of the Weizeoricks' complaint for failure to state a claim under Fed. R. Civ. P. 12(b)(6). Even if knowledge were an element of a claim under § 2607(b) of RESPA, that would not be outcome-determinative at this stage because the Weizeoricks did not need to plead knowledge to defeat ABN's motion to dismiss.

Under federal notice pleading requirements, a plaintiff need not plead every element of a cause of action to state a claim. *See, e.g., Swierkiewicz v. Sorema N.A.*, 534 U.S. 506, 511 (2002) ("under a notice pleading system, it is not appropriate to require a plaintiff to plead facts establishing a prima facie case . . . "). "[A]ll the Rules require is 'a short and plain statement of the claim' that will give the defendant fair notice of what the plaintiff's claim is and the grounds upon which it rests." *Leatherman v. Tarrant County Narcotics Intelligence & Coordination Unit*, 507 U.S. 163, 168 (1993), *quoting, Conley v. Gibson*, 355 U.S. 41, 47 (1957). ABN does not claim that it lacked fair notice of the Weizeoricks' RESPA claim or the bases for that claim.

Further, even if the Weizeoricks needed to plead knowledge, the reasonable inferences to be drawn from their complaint satisfied that alleged need. The Weizeoricks pled that the title company and not ABN recorded ABN's release of its mortgage lien (*see* below at App. 3, ¶ 7), and therefore ABN must have sent the title company the release to be recorded. Thus, ABN knew the title company was going

to record the release, and that the title company would collect money from the Weizeoricks to recover the cost of doing so. Because ABN knew these facts, it also knew that it was not going to record the release itself, and that it did not earn the part of the money paid for recording the release that it received.

When ABN sent the release to the title company for recording, it could have returned the unearned part of the money paid for recording services that it received to the Weizeoricks, or paid it to the title company. But it did not return the money or pay it to the title company, despite having six months between the closing in July, 2000 and the filing of the lawsuit in February, 2001 to do so. *See* below at App. 2, ¶ 5, and at App. 7.

ABN disputes that it had knowledge, but there is no basis for its claim at this stage. There is nothing in the complaint from which the district court or the Seventh Circuit could have concluded that ABN lacked knowledge as a matter of law. None of the fact allegations ABN presents in its Petition regarding its knowledge are part of the Weizeoricks' complaint – they are unsupported fact assertions outside of the complaint that ABN has improperly interjected into the proceedings, which may not be considered in connection with a Fed. R. Civ. P. 12(b)(6) motion.[1] There is no purpose in reviewing a decision

[1] ABN's improper fact allegations regarding its alleged lack of knowledge include that it allegedly did not know "that the Weizeoricks intended to pay off the loan through a sale of the real estate securing the loan", "that the Weizeoricks' purchasers intended to finance their purchase of that real estate through the closing of a federally related mortgage transaction", that "the Weizeoricks closed the federally related mortgage transaction in connection with the sale of the real

(Continued on following page)

sustaining a complaint under Fed. R. Civ. P. 12(b)(6) based on fact allegations outside the four-corners of the complaint.

C. The Seventh Circuit's Decision Did Not Expand Liability Under § 2607(b) of RESPA or Conflict with Its Earlier Decisions.

The Seventh Circuit's statement that knowledge is not an element of a claim under § 2607(b) does not expand the scope of that statute because there is no basis in the first instance for concluding that § 2607(b) requires proof of knowledge. The plain language of the statute and its companion regulation say nothing about a knowledge requirement. *See* 12 U.S.C. § 2607(b); 24 C.F.R. § 3500.14(c). In fact, ABN concedes in the Petition that knowledge is not an element of a claim under § 2607(b) of RESPA. *See* Petition at p. 10 ("[c]ontrol over the closing and knowledge of duplicative fee collection, while not separate elements of a RESPA claim . . . ")

ABN's claim that the Seventh Circuit's decision conflicts with its earlier decisions – which is not a basis for review under Supreme Court Rule 10 – is also false. The Seventh Circuit has never held that illegal fee-splits under

---

estate which secured AAMG's prior mortgage" that "a fee for recording the discharge/release of mortgage was made by the . . . closing agent in the amount of $25.60 ***in addition to the $10.00 fee for the same service that was included in the Payoff Statement issued by AAMG two weeks earlier***", that "its loan would be paid off through the proceeds of a federally related mortgage transaction" and that it intended to perform the recording services. ABN also makes the unsupported, and false, allegation that the title company was the Weizeoricks' agent at the closing.

§ 2607(b) must be knowing to be actionable, and none of the Seventh Circuit cases ABN cites hold that knowledge is required. In fact, contrary to ABN's claim that the Seventh Circuit's decision conflicts with its earlier decisions, the Seventh Circuit's decision is consistent with its earlier holding – in *United States v. Gannon* – that § 2607(b) does not require proof of knowledge. *See Gannon*, 684 F.2d 433, 440 (7th Cir. 1981). ABN cites no case, let alone a decision of this Court, one of the Courts of Appeals or a state court of last resort, that holds that § 2607(b) of RESPA contains a knowledge requirement.[2]

CONCLUSION

The Seventh Circuit's statement that § 2607(b) does not contain a knowledge requirement meets none of the criteria for review under Supreme Court Rule 10, review would not be warranted even if knowledge was an element of the claim because the Weizeoricks are not obligated to allege knowledge at the pleading stage, the Seventh Circuit's decision does not expand the scope of liability under § 2607(b) or conflict with its earlier decisions because neither the plain language of the statute nor the Seventh Circuit's other cases provide any basis for concluding that

[2] The cases ABN cites, erroneously, for the proposition that § 2607(b) of RESPA has a knowledge element are *Barbosa v. Target Mortgage Corp.*, 968 F.Supp. 1548 (S.D. Fla. 1997); *Campbell v. Machias Sav. Bank*, 865 F.Supp. 26 (D. Me. 1994); *Christakos*, 196 F.R.D. 496; *Duggan v. Independent Mortgage Corp.*, 670 F.Supp. 652 (E.D. Va. 1987); *Durr v. Intercounty Title Co.*, 14 F.3d 1183 (7th Cir. 1994); and *Echevarria v. Chicago Title & Trust Co.*, 256 F.3d 623 (7th Cir. 2001).

§ 2607(b) requires proof of knowledge, and ABN has conceded that knowledge is not an element of a claim under § 2607(b) of RESPA. ABN's Petition should be denied.

Respectfully submitted,

DAVID J. PHILIPPS
Counsel of Record
MARY E. PHILIPPS
GOMOLINSKI & PHILIPPS, LTD.
8855 South Roberts Road
Hickory Hills, Illinois 60457
(708) 974-2900

JAMES SHEDDEN
MICHAEL S. HILICKI
BEELER, SCHAD & DIAMOND, P.C.
332 South Michigan Avenue
Suite 1000
Chicago, Illinois 60604
(312) 939-6280

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Gregory and Margaret Weizeorick, individually, and on behalf of all others similarly situated,	)	No. 01 C 713
Plaintiffs,	)	
v.	)	
ABN AMRO Mortgage Group, Inc., a Delaware corporation,	)	
Defendant.	)	

CLASS ACTION COMPLAINT

Plaintiffs, Gregory and Margaret Weizeorick, individually and on behalf of all others similarly situated, bring this action under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2601, *et seq.* ("RESPA"), the Illinois Consumer Fraud Act, 815 ILCS 505/1, *et seq.* ("ICFA") and Illinois common law, to recover an unauthorized fee Defendant charged Plaintiffs and others in connection with the payoff of their mortgage, and allege:

JURISDICTION AND VENUE

1. The jurisdiction of the Court is invoked for the federal law claim as authorized by § 2614 of the RESPA and 28 U.S.C. § 1331, and for the state law claims as authorized by 28 U.S.C. § 1367.

2. Venue is proper in this district because the acts and transactions occurred here, Plaintiffs reside here, and Defendant transacts business here.

PARTIES

3. Plaintiffs, Gregory and Margaret Weizeorick, are citizens of the State of Illinois residing in the Northern District of Illinois. The loan described below is a "federally related mortgage loan" as defined by § 2602(1) of the RESPA. The charge described below was made or received for the rendering of a "settlement service" as defined by § 2602(3) of the RESPA.

4. Defendant, ABN AMRO Mortgage Group, Inc., is a Delaware corporation that owns and services residential mortgage loans in the ordinary course of its business. LaSalle Talman Bank, FSB, acquired Plaintiffs' mortgage loan from their original lender, Edgemark Mortgage Corporation, on October 22, 1993. Defendant subsequently acquired LaSalle Talman Bank, FSB and thereby acquired Plaintiffs' mortgage loan and/or the servicing rights to the same.

FACT ALLEGATIONS

5. On July 24, 2000, Plaintiffs closed on the sale of their home. In connection with the closing, Defendant gave Plaintiffs a "payoff statement" that indicated that to pay off their loan Plaintiffs would have to pay Defendant a $10 "RECORDING DISCHARGE/RELEASE OF LIEN FEE", in addition to the remaining principal and interest they owed. *See*, Payoff Statement, attached as Exhibit *A*.

6. Plaintiffs paid off their loan, including the $10 recording charge. *See*, Settlement Statement, attached as Exhibit *B*, at Line 504.

7. Defendant did not record the discharge/release of Plaintiffs' mortgage — the closing agent did, it charged Plaintiffs $25.60 for this service, and Plaintiffs paid it. *See*, Settlement Statement at Line 1114, attached as Exhibit *B*.

COUNT I
Violation Of The RESPA's Prohibition Against Unearned Fees

8. Plaintiffs adopt and reallege the allegations in ¶¶ 1-7.

9. The RESPA prohibits any person from collecting a fee to be given to another "for which no or nominal services are performed or for which duplicative fees are charged for mortgage related services if they did not perform any services." 12 U.S.C. § 2607(b) and Reg. X, 24 C.F.R. § 3500.14(c).

10. Plaintiffs paid a total of $35.60 for recording the discharge/release of their mortgage. Defendant violated the RESPA by receiving $10 of that amount because Defendant did not record any discharge/release of Plaintiffs' mortgage.

11. Defendant's violation of the RESPA renders it liable to Plaintiffs for three times the amount of the fee, costs and attorneys' fees. 12 U.S.C. § 2607(d)(2).

COUNT II
Breach of Contract

12. Plaintiffs adopt and reallege the allegations in ¶¶ 1-7.

13. Defendant charged Plaintiffs $10 to putatively record the discharge/release of their mortgage. Defendant never did so, thereby breaching its contract with Plaintiff.

14. Defendant's breach renders it liable to Plaintiffs for actual damages.

COUNT III
Restitution

15. Plaintiffs adopt and reallege the allegations in ¶¶ 1-7.

16. Plaintiffs paid Defendant a recording of discharge/release fee under the mistaken belief that Defendant would actually record the discharge/release of Plaintiffs' mortgage in exchange for the fee.

17. Defendant did not record the discharge/release of Plaintiffs' mortgage. Accordingly, Defendant cannot be allowed to retain the fee in equity and good conscience.

18. Defendant is liable to Plaintiffs for the amount of the fee.

COUNT IV
Violation Of The Illinois Consumer Fraud Act

19. Plaintiffs adopt and reallege the allegations in ¶¶ 1-7.

20. The Illinois Consumer Fraud Act prohibits any person from making any false, deceptive or misleading representation or omission, with intent that others rely on it, in trade or commerce. 815 ILCS 505/2.

21. Defendant misrepresented that it was collecting the $10 fee for recording the discharge/release of Plaintiffs' mortgage. Defendant did not record the discharge/release of Plaintiffs' mortgage.

22. Defendant made this misrepresentation with intent that Plaintiffs rely on it.

23. Defendant made this misrepresentation in the course of its business, *i.e.* in the course of trade or commerce.

24. Defendant's violation of the Illinois Consumer Fraud Act renders it liable to Plaintiffs for actual damages, costs and attorneys' fees. 815 ILCS 505/10a.

CLASS ALLEGATIONS

25. Plaintiffs bring this action individually and as a class action on behalf of all consumers similarly situated to Plaintiffs from whom Defendant collected a "RECORDING DISCHARGE/RELEASE OF LIEN FEE" at any time during the applicable statute of limitations period for each of the claims described above.

26. The Class consists of more than 50 people similarly situated to Plaintiffs from whom Defendant collected the "RECORDING DISCHARGE/RELEASE OF LIEN FEE" Defendant charged Plaintiffs.

27. Plaintiffs' claims are typical of the claims of the Class. Common questions of law or fact raised by this class

action complaint affect all members of the Class and predominate over any individual issues. Common relief is therefore sought on behalf of all members of the Class. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

28. The prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to the individual members of the Class, and a risk that any adjudications with respect to individual members of the Class would, as a practical matter, either be dispositive of the interests of other members of the Class not party to the adjudication, or substantially impair or impede their ability to protect their interests.

29. Plaintiffs will fairly and adequately protect and represent the interests of the Class. The management of the class action proposed is not extraordinarily difficult, and the factual and legal issues raised by this class action complaint will not require extended contact with the members of the Class because Defendant's conduct was perpetrated on all members of the Class, and will be established by common proof. Moreover, Plaintiffs have retained counsel experienced in class action litigation.

PRAYER FOR RELIEF

Plaintiffs, Gregory and Margaret Weizeorick, pray that this Court:

1. Certify the Class described above;

2. Appoint Plaintiffs as Class representatives of the Class, and their attorneys as Class Counsel for the Class;

3. Enter judgment in favor of Plaintiffs and the Class, and against Defendant, for damages, expenses and attorneys' fees as described above; and

4. Grant such further relief as deemed just.

Gregory and Margaret Weizeorick,

/s/ Michael Hilicki
One of Plaintiffs' Attorneys

Dated: February 1, 2001

James Shedden
Michael S. Hilicki
Beeler, Schad & Diamond, P.C.
332 South Michigan Avenue
Suite 1000
Chicago, Illinois 60604-4398
(312) 939-6280

David J. Philipps
Mary E. Philipps
Gomolinski & Philipps, Ltd.
8855 South Roberts Road
Hickory Hills, Illinois 60457
(708) 974-2900

EXHIBIT A

PAYOFF STATEMENT	DATE: July 18, 2000 **REVISED**
TO: Atty Gomolinski & Philipps Attn: Dawn Fax 708-974-2907	LOAN NO: 0003880168 LOAN TYPE: Conventional HAZARD PAID: $ .00 TAXES PAID: $ 1,108.93

NAME:
Gregory F Weizeorick
Margaret A Weizeorick
5612 S Neenah Ave
Chicago, IL 60638-0000

PRINCIPAL BALANCE AS OF July 18, 2000	$	93,457.63
INTEREST DUE AT 6.87500% FROM July 01, 2000 to July 24, 2000 PER DIEM .....$ 17.60	$	404.87
UNPAID LATE CHARGES	$	.00
RECORDING DISCHARGE/RELEASE OF LIEN FEE	$	10.00
TRUSTEE FEES	$	.00
TOTAL CHARGES DUE	$	10.00
LESS CURRENT ESCROW BALANCE	$	-1,439.58
TOTAL AMOUNT TO PAY LOAN IN FULL..	$	92,432.92
FAX FEES	$	15.00
UNPAID NSF CHARGES	$	.00
ADJUSTED TOTAL	$	92,447.92

*SEE REVERSE SIDE FOR IMPORTANT INFORMATION OR FOR TAX TRANSMITTALS PLEASE SEE ATTACHED.

PROPERTY ADDRESS:
5612 S Neenah Ave
Chicago IL 60638

PAYOFF DEPARTMENT

XP001-071/P58

IMPORTANT NOTICE
THE PAYOFF FUNDS MUST ONLY BE MAILED OR DELIVERED TO THE CASHIERING DEPARTMENT AT
4242 N. HARLEM AVE.
NORRIDGE, IL 60706

Important Information
About Your Payoff

ABN AMRO Mortgage Group, Inc.
2500 West Big Beaver Road
Troy, Michigan 48084
800/805-0070

Affiliates:
Standard Federal Bank
LaSalle Bank
LaSalle Home Mortgage

Please be advised that all payoff checks need to be made payable to "ABN AMRO Mortgage Group, Inc." who is the servicer of this loan. "ABN AMRO Mortgage Group, Inc." will also arrange to have the appropriate satisfaction document prepared under the name of the originating mortgagee of record.

All Payoff Checks Must Be Mailed Or Delivered To:

ABN AMRO Mortgage Group, Inc.
4242 North Harlem Avenue
Norridge, Illinois 60706

Issuance of this statement does not suspend the contractual requirement to remit monthly payments as they become due. A late charge will be addressed 15 days after a current payment is past due and should be added to the payoff total if applicable.

If the escrow balance is being credited to the payoff balance, we will not pay any taxes or property related insurance while this statement is in effect without specific written instructions from the mortgagor. As such, any accrual of real estate taxes and associated penalties, or

loss incurred as a result of a lapse in insurance coverage due to nonpayment, will be the responsibility of the mortgagor.

If you have an automatic payment drafting account, your next payment will be deducted unless we are notified in writing ten (10) business days prior to the draft date. You may cancel your account by calling 800-783-8900.

If there is a change in the mailing address, please advise us at the time of final payoff so discharge papers will be sent to the correct address. If we are not notified of a mailing change, all cancelled papers will be mailed to the last known mailing address.

This is a tentative statement and is subject to audit. These figures will be adjusted if any check/draft previously received and applied to the account is returned by the institution upon which it is drawn.

This statement will expire in 30 days. All figures must be verified prior to closing or the disbursement of closing funds.

Payoff Wire instructions On line member of Federal Reserve.

To have the payoff credited on the day of payment, the wire transfer must be received by ABN AMRO Mortgage Group, Inc. by 12:00 noon (central time zone). You must include the following information:

ABA# 071000505
Account Number: 03-804774-1
Customer's Name
Mortgage Loan Number
Attn: Payoff Department

IMPORTANT NOTICE
THE PAYOFF FUNDS MUST ONLY BE MAILED OR DELIVERED TO THE CASHIERING DEPARTMENT AT
4242 N. HARLEM AVE.
NORRIDGE, IL 60706

Form Approved OMB NO. 2502-0265 (Rev. 5-87)

A. U.S. Department of Housing and Urban Development
SETTLEMENT STATEMENT
ATTORNEYS' TITLE GUARANTY FUND, INC.
Second Floor
33 North Dearborn
Chicago, IL 60602-3100
(2) 372-8361
Taxpayer I.D. No.: 37-1222620
P.O. Box 9136
2408 Windsor Place
Champaign, IL 61821
1-800-252-0402

B. TYPE OF LOAN : RESPA BY: PD

FAC NO.: 1169688T CLOSER: MARIANNE SCHINDLER

6. FILE NO. : 10261103 | 7. LOAN NO. :

8. MORTGAGE INS. CASE NO. :
MEMBER : William E. Gomolinski #2404

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked '(p.o.c)' were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. NAME OF BORROWER : ULYSSES BANUELOS, NANCY QUINTERO
ADDRESS : 3904 W. 66TH, CHICAGO, IL 60629

E. NAME OF SELLER(S): GREGORY WEIZEORICK, MARGRET WEIZEORICK
CURRENT ADDRESS : 6612 S. KEENAN, CHICAGO, IL 60638
FORWARDING ADDRESS :
TAXPAYER I.D. NO(s): _____ _____

F. NAME OF LENDER : HARRIS TRUST & SAVINGS BANK
ADDRESS : 111 W. MONROE STREET STE 23W, CHICAGO, IL 60606

G. PROPERTY LOCATION : 6612 S. KEENAN, CHICAGO, IL 60638
PRINCIPAL RESIDENCE OF SELLER [Y/N]: ADDITIONAL CONSIDERATION [Y/N]:

H. SETTLEMENT AGENT : ATTORNEYS' TITLE GUARANTY FUND, INC.
PLACE OF SETTLEMENT : 8855 South Roberts Road, Hickory Hills 60457 ST: IL ZIP: 60457

I. SETTLEMENT DATE : 07/24/00 TIME : 12:00

J. SUMMARY OF BORROWER TRANSACTIONS :		K. SUMMARY OF SELLER TRANSACTIONS	
100. GROSS AMOUNT DUE FROM BORROWER		400. GROSS AMOUNT DUE TO SELLER	
101. Contract sales price	168000.00	401. Contract sales price	168000.00
102. Personal property		402. Personal property	
103. Settlement chgs. to borrower (ln.1400)	2772.76	403.	
104.		404.	
		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes / / to / /		406. City/town taxes / / to / /	
107. County taxes / / to / /		407. County taxes / / to / /	
108. Assessments / / to / /		408. Assessments / / to / /	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BORROWER	170772.76	420. GROSS AMOUNT DUE TO SELLER	168000.00
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER		500. REDUCTIONS IN AMOUNT DUE TO SELLER	
201. Deposit or earnest money	2000.00	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	103000.00	502. Settlement charges to seller (1400)	8063.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204. Dep. w/lend		504. Payoff of first mortgage loan	92483.12
205. LOCK IN DEPOSIT	1600.00	505. Payoff of second mortgage loan	
206.		506. Deposit or earnest money	2000.00
207.		507. POSSESSION ESCROW	3500.00
208.		508. ESCROW	1000.00
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes 07/01/99 to 12/31/99	1219.82	510. City/town taxes 07/01/99 to 12/31/99	1219.82
211. County taxes 01/01/00 to 07/24/00	1310.72	511. County taxes 01/01/00 to 07/24/00	1310.72
212. Assessments / / to / /		512. Assessments / / to / /	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
		519.	
TOTAL PAID BY/FOR BORROWER	159030.54	520. TOTAL REDUCTION AMOUNT DUE SELLER	109576.66
300. CASH AT SETTLEMENT FROM OR TO BORROWER		600. CASH AT SETTLEMENT TO OR FROM SELLER	
301. Gross amt. due from borrower (ln.120)	170772.76	601. Gross amount due to seller (ln. 420)	168000.00
302. Less amt. pd. by/for borrower (ln.220)	159030.54	602. Less reduction amt. due seller (1.520)	109576.66
303. CASH ([X] FROM) ([ ] TO) BORROWER	11742.22	603. CASH ([X] TO) ([ ] FROM) SELLER	58423.34

App. 12

BEST AVAILABLE COPY

EXHIBIT B

L. SETTLEMENT CHARGES			PAID FROM BORROWER FUNDS AT SETTLEMENT	PAID FROM SELLER FUNDS AT SETTLEMENT
700. TOT. SALES/BKR COM. based on price $ 168000.00 at % -				
Division of commission (Ln.700) as follows:				
701. $ to			XXXXXXXXXXXXXX	XXXXXXXXXXXXX
702. $ to			XXXXXXXXXXXXXX	XXXXXXXXXXXXX
703. Comm. pd. at settlement to NIEGO REAL ESTATE				6400.00
704.				
800. ITEMS PAYABLE IN CONNECTION WITH LOAN				
801. Loan Orig. Fee % to				
802. Loan Discount Fee % to				
803. Appraisal Fee 275.00 to DANIEL S TERPINAS		250.00 POC	25.00	
804. Credit Report to				
805. Lender Insp. Fee to				
806. Application Fee to				
807. Assumption Fee to				
808. Doc. Prep. Fee to				
809. Tax Service Fee 61.00 to HARRIS TRUST & SAVINGS BANK			61.00	
810.				
811.				
812. FLOOD CERT FEE TO STEWART MORT INFOR			19.00	
813.				
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE				
901. Interest from 07/24/00 to 08/01/00 at $ 36.6500 /day			293.20	
902. Mortgage Insurance Premium for . mos. to				
903. Hazard Insurance Premium for yrs. to				
904. yrs. to				
905.				
1000. RESERVES DEPOSITED WITH LENDER				
1001. Hazard Insurance mo. at $ /mo.				XXXXXXXXXXXXX
1002. Mortgage Insurance 2.00 mo. at $ 99.45 /mo.			198.90	XXXXXXXXXXXXX
1003. City property taxes mo. at $ /mo.				XXXXXXXXXXXXX
1004. County property taxes 2.00 mo. at $ 184.83 /mo.			369.66	XXXXXXXXXXXXX
1005. Annual assessments mo. at $ /mo.				XXXXXXXXXXXXX
1006. mo. at $ /mo.				XXXXXXXXXXXXX
1007. mo. at $ /mo.				XXXXXXXXXXXXX
1008. mo. at $ /mo.				XXXXXXXXXXXXX
1009. Aggregate Reserve Adjustment				XXXXXXXXXXXXX
1100. TITLE CHARGES				
1101. Settlement or closing fee to ATTORNEYS' TITLE GUARANTY FUND, INC 260.0			260.00	
1102. Abstract or title search to				
1103. Title examination to				
1104. Title insurance binder to				
1105. Document preparation to				
1106. Notary fees to				
1107. Attorney's fees $ to				
(Includes above items No.:)			XXXXXXXXXXXXX	XXXXXXXXXXXXX
1108. Title insurance to ATTORNEYS' TITLE GUARANTY FUND,INC.			185.00	625.60
(Includes above items No.: 1102, 1103, 1104, 1105, 1106)			XXXXXXXXXXXXX	XXXXXXXXXXXXX
1109. Lender's coverage $ 163000.00			XXXXXXXXXXXXX	XXXXXXXXXXXXX
1110. Owner's coverage $ 168000.00			XXXXXXXXXXXXX	XXXXXXXXXXXXX
1111.				
1112. Attorney's Fees $ 500.00 O to William E. Gomolinski				500.00
1113. ZONING & WATER				85.00
1114. RELEASE FEE				25.60
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES				
1201. Recording fees: Deed $ 0.00 Mort. $ 0.00 Release $ 0.00			71.00	
1202. City/county tax/stamps: Deed $ 84.00 Mortgage $ 0.00				84.00
1203. State tax/stamps: Deed $ 168.00 Mortgage $ 0.00				168.00
1204. City Stamps				
1205. Chicago City Stamps			1260.00	
1206.				
1300. ADDITIONAL SETTLEMENT CHARGES				
1301. Survey $ 175.00 O to LANDMARK ENGINEERING				175.00
1302. Pest Insp. $ to				
1303. EPA ENDORSEMENT			30.00	
1304.				
1305.				
1400. TOTAL SETTLEMENT CHARGES (enter on lines 103 and 502, Sections J and K)			2772.76	8063.00

H.U.D. SETTLEMENT STATEMENT

Form Approved OMB No. 2502-0265

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

/s/ Ulysses Bahuelos /s/ Gregory F. Weizeorick

/s/ Nancy Quintero /s/ Margaret A. Weizeorick

Borrowers Sellers

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

/s/ [Illegible] 7/24/00

Settlement Agent Date

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details, see Title 18, U.S. Code, Section 1001 and Section 1010.

Taxpayer Identification Number Solicitation

You are required by law to provide the closing agent with your correct taxpayer identification number. If you do not provide the closing agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law.

Certification – Under penalties of perjury, I certify that the taxpayer identification number and address shown in Box E and/or this page of this Settlement Statement are correct.

/s/ Gregory F. Weizeorick
Seller

/s/ Margaret A. Weizeorick
Seller

Forwarding Address _____

_____

_____

_____ _____

Taxpayer I.D. Taxpayer I.D.

Special Instructions _____

_____

_____

SELLER INSTRUCTIONS: If this real estate was your principal residence, file Form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 6252 and/or Schedule D (Form 1040).

SUBSTITUTE FORM 1099 SELLER STATEMENT: The Information contained in blocks E, G, H and I and in line 401 (or, if line 401 is asterisked, lines 403 and 404) and/or this page is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return; a negligence penalty or other sanction will be imposed upon you if this item is required to be reported and the IRS determines that it has not been reported.

ATTORNEYS' TITLE GUARANTY FUND, INC.

_____